Government of Nova Scotia
Department of Human Resources

Accountability Report
2000/2001 Fiscal Year

NOVA SCOTIA

October, 2001

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Accountability Statement

The Accountability Report of the Department of Human Resources, for the year ended March 31, 2001, is prepared pursuant to the Financial Measures Act (2000). The Act requires the reporting of progress and results achieved against the Department of Human Resources' business plan for the fiscal year. The reporting of Department of Human Resources' Business Plan 2000/2001, progress and results achieved necessarily includes estimates, judgements and opinions of department management.

We acknowledge that this accountability report is the responsibility of the Department of Human Resources management. It presents, to the extent possible, a complete and accurate representation of progress and results achieved relative to the goals and priorities set out in the department's business plan for the year.

Minister: _____

Honourable Ronald S. Russell

Commissioner: _____

Judith Sullivan-Corney

Message from the Minister

I am pleased to present this document, which represents the first accountability report for the Department of Human Resources under the provisions of the *Financial Measures Act* of 2000. This report highlights the progress, accomplishments and results achieved based on the goals and priorities established in the department's business plan for 2000/2001. It also addresses the impact of government restructuring on these goals and priorities, as well as the Department of Human Resources core business functions.

The Department of Human Resources provides corporate human resource and labour relations policy, programs and consultative services for all civil servants and other direct employees of government. In support of the government's goal to achieve a smaller, more efficient government, the department had added responsibilities due to system-wide restructuring. This responsibility included supporting all departments, agencies, boards and commissions implement short and medium term workforce adjustment strategies. This corporate human resource commitment was made to reduce the impact of restructuring throughout government. Restructuring support and services included a Transition Support Program to provide fair severance arrangements for employees adversely affected by budget reductions and restructuring. In addition, the department played the lead role in providing government with strategic and expert advice on collective bargaining activities both within the civil service and the broader public sector.

Although an enormous time commitment was required to support this restructuring, the Department of Human Resources did continue to provide regular on going corporate human resource policies, programs and services. Department priorities include developing human resources policy frameworks for strengthened accountability in government, youth employment, providing corporate policies for safe and healthy work environments and developing a workforce which reflects Nova Scotia's diverse population. Significant results were achieved that were not contemplated in the business plan, including a new Personal Protection Policy supporting government's commitment to a safe and respectful workplace, and a Code of Conduct for Civil Servants to ensure high standards of conduct are maintained by employees.

As lead for government restructuring, the Department of Human Resources had a particularly difficult and busy agenda. With many priorities achieved and obstacles to overcome, the department, in close cooperation with Deputy Ministers, Senior Officials and HR Directors, is continuing its efforts, to work towards achieving renewal of the public service.

A challenging and complicated agenda was approached with professionalism and expert support. Not only has progress been realized in many critical areas, but significant progress has been made beyond our expectations.

Mission

To provide corporate human resource policy, programs and consultative services for civil servants and other direct employees of government which are focused on building the human potential of government and the delivery of high quality government services in an efficient manner.

Impact of Government Restructuring

Though all departments, agencies, boards and commissions were affected by government restructuring, the Department of Human Resources had the additional and unique responsibility of overseeing the restructuring and providing support to all employees. Due to the extent of workforce reduction across Government, the department was required to provide extensive human resource service, support and professional advice. The department also saw a reduction in its own staff. Successful restructuring requires that the organization focuses on the goals to be achieved. Human resources plays a critical role in providing the service and support necessary to achieve these goals.

Impact on Core Business Functions

All business areas had additional responsibilities in support of government restructuring as outlined below.

Labour Relations
Provided strategic and expert advice on restructuring. Managed the collective bargaining process in a climate significantly challenged by a workforce reduction. union/management consultation. Developed the Transition Support Program. Led significant union/management consultation which greatly facilitated implementation of government's restructuring initiative.

Diversity
Ensured restructuring is a fair and equitable process for designated group members.

Employee Health Services
Administered Employee Assistance Program (EAP) for affected employees and their family members.

Human Resource Information Management
Generated human resource demographic and payroll information in support of the Department of Human Resources and human resources community.

Policy and Research
Conducted research and advised government on strategic human resource directions and matters relating to human resource policy.

Staffing, Classification and Compensation
Administered a Transition Support Program which provides fair severance arrangements to employees adversely affected by restructuring.

Training and Development
Provided training to government human resource professionals and managers on the role of the HR during restructuring.

The Department of Human Resources spent much of the 2000/2001 fiscal year providing service and support for government restructuring, while providing regular on going human resource and labour relations policy, programs and consultative services.

Impact on 2000/2001 Business Plan Priorities

The development of human resources policies and strategies which support the government's commitment to achieving smaller government through workforce reduction. 2000/2001 DHR Business Plan Goal

This corporate human resource goal to support government's commitment to achieve smaller government was also intended to reduce the impact of restructuring in other government departments. Human resources needs to provide the support necessary for employees to go about their work.

Other priorities identified in the 2000/2001 Business Plan, include post restructuring initiatives as well as regular ongoing corporate human resource support and services. The impact of restructuring resulted in fewer resources available to work towards achieving other Department of Human Resources priorities, nonetheless, most were achieved or are well underway. Much was also accomplished in addition to those priorities identified in the business plan.

Department of Human Resources Accomplishments

This section outlines the strategic goals and priorities as outlined in the Department of Human Resources' 2000/2001 Business Plan. Department accomplishments relative to these goals and priorities are examined. Information on pertinent human resource, information technology and finance functions of the department are also included in this section. Any significant accomplishments not included in the 2000/2001 business plan but achieved in this fiscal year, have also been identified.

Strategic Goals and Priorities

Four goals were identified in the 2000/2001 business plan. Priorities (initiatives) required to move towards achieving these goals were also identified. Priorities in support of Department of Human Resources goals have either been achieved or are well underway.

✓ Achieved
★ Well Underway

Goal 1: Develop human resources policies and strategies which support the government's commitment to achieving smaller government through workforce reduction and workforce adjustment in the context of statutory/contractual requirement.

Priority: Support government workforce reduction.

✓ The Department of Human Resources oversaw workforce reduction and restructuring.
- developed and administered a Transition Support Program to provide fair severance arrangements for employees adversely affected by budget reductions and restructuring
- provided strategic and expert advice to Government and government departments

Priority: Develop medium to long-term post-restructuring strategies, necessary for a productive sustainable workforce, such as a Flexible Work Options Program

★ A Flexible Work Options Program was not implemented in the fiscal year 2000/2001. Research has been conducted and best practices identified, to support a flexible work options program. A program to assist

employees balance their work and personal lives will be brought forward for government's consideration next fiscal year.

★ Succession management system was developed including tools, processes and the following document:
- Guide to Successsion Managers
- The MCP role in Succession Management
- The Career Explorer

Succession management was not implemented due to workload as a result of restructuring. It is anticipated it will be implemented in full or inpart in the fisc year 2001/2002.

Priority: Collective bargaining.

✓ Collective bargaining with civil service and other direct employees of government including corrections workers and highway workers was on going during the 2000/2001 fiscal year.
- corrections negotiations successfully concluded in January 2001 within financial mandate
- on going negotiations with civil service, 5,300 employees (NSGEU), highways works (CUPE)
- Framework Agreement with Crown Attorneys Association to establish an independent salary setting mechanism
- extensively supported negotiations in the broader public service, including the healthcare sector

Goal 2: Provide corporate polices and frameworks which support departments with implementing workforce adjustment strategies ensuring that such strategies are designed to meet government's current and future human resource requirements. Focus is on issues relevant to recruitment, selection, retention, development and rewards.

A. Human Resources Policy Frameworks for Strengthened Accountability in Government.

Priority: Provide expert advice and training to government HR professionals and managers outlining best practices and the role of HR during restructuring.

✓ The coordination of human resource personnel across government to support government restructuring in a consistent efficient manner.

Priority: Implement an Employee Recognition Program.

★ Research has been conducted and best practices identified to support an Employee Recognition Program to achieve government cost savings and recognize employee achievement.

Priority: Implement a corporate recruitment strategy.

★ The Department of Human Resources is spearheading a recruitment and retention project in partnership with other Departments of Human Resources in Atlantic Canada, the federal government in the region and the Canadian Policy Research Network (CPRN) to develop strategies to effectively meet human resource renewal goals.

★ Extensive work with HR Directors on Integrated Management Development (IMD), a strategy which will improve the way government recruits, develops and assigns high quality managers and leaders to meet the challenges of the future.

★ Bargaining Unit Classification Review and Management Compensation projects underway.

Priority: Seek approval for revised compensation policy.

★ Management compensation project underway to address existing compensation challenges and inconsistencies.

B. Youth Employment

Priority: Double number of Career Starts interns.

✓ Career Starts Internship Program doubled from 8 to 16 interns.

Priority: Strengthen co-op education student employment.

★ Fewer co-op applications from departments received due to restructuring and department concern regarding additional staff.

Goal 3: Provide corporate policies for safe and healthy work environments which support the government's goal of building a healthier province.

Priority: Promote and provide Employee Assistance Program (EAP) to employees and family members affected by restructuring.

✓ Assistance was provided to employees and their families adversely affected by restructuring through the Employee Assistance Program (EAP), utilization rates rose during the 2000-2001 fiscal year.

Priority: Review existing Employee Assistance Program.

Not undertaken due to reduction in EAP staff complement required by fiscal imperatives

Priority: Develop and implement a Disability Management Policy.

★ Work continued in conjunction with initiatives undertaken by LTD Board of Trustees.

Goal 4: Establish corporate policies which assist with developing a workforce which reflects Nova Scotia's diverse population in support of the government's commitment to fairness to regions and to the people.

Priority: Continue to provide Diversity and Employment Equity training to all government employees.

✓ On going Diversity and Employment Equity training provided to all government employees including Diversity Management for Leaders

Priority: Provide departments with a framework to assist with the integration of diversity principles into business practices.

★ Revised Affirmative Action Policy includes a strategy/framework for departmental action plans.

Priority: Continue to work with community groups and educators to strengthen recruitment processes among Nova Scotia's diverse population.

✓ On-going work with community groups and educators to strengthen recruitment processes among Nova Scotia's diverse population

Human Resources, Information Technology and Finance Functions

Human Resources, Information Technology and Finance support are critical to the Department of Human Resources' achievement of stated goals and priorities.

Human Resources

Priority **Improve the service in human resource program delivery.**

- ✓ Ensured that the HR Office is appropriately staffed in order to be able to provide the level of service required by client base.
- ★ Providing continuous learning opportunities to HR staff.
- ★ Continuing to seek areas of improvement by encouraging management and employee feedback.

Priority **Support corporate initiatives of the Department of Human Resources by providing consultative support to managers in performance and succession management for the implementation of the Integrated Management Development Program (IMD).**

- ★ Ensuring that management and employees are provided with training and coaching on an as needed basis in the area of performance management. Thus far no formal program has been launched for succession management.

Priority **Assist with organizational review and restructuring as required.**

- ★ Providing professional HR assistance and recommendations on options to consider when divisions are contemplating restructuring and ensuring that all options are explored and investigated while adhering to both the collective agreement and the Civil Service Regulations.

Priority **Actively participate and support the corporate initiatives of the Public Service Commission.**

- ★ HR Consultants continue to work with management in an effort to manage short term illness and deal with issues as they arise. HR consultants also work closely with case management staff of Maritime Life (LTD) is assisting employees returning to work from LTD.

Information Technology

The IT Division provides the department with planning, delivery, implementation, and support services in the areas of computer hardware, software, applications, and networks.

Priority: **Work closely with the department to deliver an IT Strategy to address the IT components required to support their business objectives.**

✓ Worked with senior management in the Department of Human Resources to ensure prioritization and alignment of IT projects with department business plan.

Priority: **Continue to support and safeguard the department's existing production information systems and technologies.**

✓ Performed regular upgrades to network and desktop software to ensure compatibility, stability, reliability, and desktop and network security.

Priority: **Ongoing support, enhancements and maintenance of the technical infrastructure and information systems in order to maximize the department's investment in technology.**

✓ Implemented a variety of system upgrades designed to support accessability, speed, availability, and performance of IT systems.
- This included installation of new desktop operating systems (Windows 2000);
- provision of wireless network connectivity (increased availability/access to the provincial network for clients);
- implementation of a technology refresh of network components and PC's; and provision of access to Network Fax services.

Priority: **Continue to improve and evolve the support and development services of the IT division through:**

★ The new LAN/Network security policy is being implemented for all new employees of DHR. Policy is currently awaiting agenda placement for approval by BTAC. Full implementation pending BTAC adoption as corporate IT policy.

✓ Adopted Java 2 Enterprise Edition as the primary platform for new application development.

Finance

Priority: Meet the department's needs with respect to financial analysis in business case development, user fee recoveries, cost/benefit analysis, business planning, estimate and forecast planning and other projects.

- ✓ Contributed to the preparation of the business plan for 2000-01 ensuring the accuracy of budgetary information, adherence to fiscal targets and provided assistance to the Minister and Deputy Minister during the presentation of the estimates in the House of Assembly. Throughout 2000-01, assistance was provided in meeting fiscal targets, preparation of monthly analysis of department's expenditures and forecast information for use by senior leadership.

- ✓ User fee recoveries were analyzed for all Human Resource Development programs and recommendations made to streamline program costs and reporting.

Priority: Continue to streamline/ensure efficiency of financial procedures and processes within the DHR in compliance with PSAB government accounting guidelines.

- ✓ General accounting principles were adhered to ensuring accurate and timely information was sent to government accounting in support of the consolidated reporting of the government's financial statements.

- ✓ Ensured compliance with authority limits, including Ministerial approval for all operational spending on the purchase of goods and services, were complied with.

Priority: Support government's agenda with respect to implementation of major revisions to financial management accounting policies.

- ✓ Implemented a change in procedure to accommodate a new tax ruling relating to travel.

Priority: Continue implementation of the Asset Management Module of the Corporate Financial Management System (CFMS/SAP) in accordance with the corporate Tangible Capital Assets Policy. Ensure appropriate and accurate recording of capital assets resulting in information which will increase efficiency in the management of capital assets.

- ✓ Implemented as it is applicable to the Department of Human Resources.

Priority: Prepare formal documentation on direct debit procedures for divisions utilizing this method of recovering costs.

✓ Implementation complete.

Priority: Investigate the possibility of providing procurement services to the Department of Human Resources. Provision of this service will be contingent upon sufficient procurement resources within the CSU.

✓ Procurement services now being provided.

As well, financial information and analysis was prepared during 2000-2001 for the creation of the new Public Service Commission, effective April 1, 2001, which included a revised organizational structure and program realignments.

Additional Significant Results Achieved

Significant results were also achieved in these areas, although not identified in the business plan 2000/2001.

1. **Bargaining Unit Classification Review Project**
   The Department of Human Resources and the NSGEU agreed to jointly select a new job evaluation system for the civil service and to subsequently review all bargaining unit positions. The Aiken Plan which is recognized by the Canadian Human Rights Commission as an unbiased method of determining the relative value of jobs within an organization was chosen as the evaluation tool. A job evaluation committee, composed of an equal number of Union and non-Union employees from government departments, was established.

2. **Code of Conduct for Civil Servants**
   The Government of Nova Scotia is committed to ensuring high standards of conduct are maintained by employees who deliver government services. The Department of Human Resources developed a Code of Conduct for civil servants, effective September 2000 which emphasizes the importance of integrity and ethical decision making in the discharge of public service functions.

3. **Creation of Public Service Commission**
   In November 2000, approval was requested to create the Public Service Commission, formerly the Department of Human Resources. Though the creation of the Public Service Commission was not set to be effective until the following fiscal year, much preparatory work was done during the 2000/2001 fiscal year. This work included meeting with the wider government human resource community to discuss human resource strategies and the redefined role of the Public Service Commission.

4. **Employment Systems Review**
   A review of current written and unwritten, formal and informal, employment policies and practices from an employment equity perspective. This review is intended to identity and recommend ways of eliminating existing and potential discriminatory practices, both intentional and systemic, impeding workplace equality. This review is ongoing and will include consultation with key stakeholders next fiscal year.

5. **Performance Pay for Senior Officials**
The Department of Human Resources has undertaken a review of compensation policy for senior officials including benefits. A Senior Officials Benefits Policy has been developed to achieve financial accountability for senior official pay and ensure fair and consistent compensation standards are maintained.

6. **Personal Protection Policy**
The Government of Nova Scotia is committed to the provision of service to the public in an environment which is safe and respectful. The Department of Human Resources developed a Personal Protection Policy effective May, 2000 to ensure that reasonable steps are taken to preserve the safety of the workplace for both the people to whom service is provided and employees.

7. **Provincial Consolidated Health and Dental Plans**
In conjunction with officials from the Department of Finance, renegotiated the administrative services contract (March 2001) with Maritime Medical Care, which resulted in a lower administration fee. Also, prepared the conversion of the benefits administrative system to Atlantic Blue Cross Care.

8. **Revised Travel Policy**
The Department of Human Resources undertook a review of the corporate Travel Policy (working with an interdepartmental committee comprised of representatives from the Department of Finance and Transportation and Public Works) and introduced comprehensive revisions October 2000 which are aimed at achieving efficiencies and standardization of practices across departments

Financial Results

The Department of Human Resources' primary resource is its staff and their expertise in the delivery of the department's core business functions. The department engages in an on-going review of its operations to identify opportunities for improved efficiencies and cost savings.

Actual Versus Budgeted Expenditures

The Department of Human Resources spent 86.8% of budgeted expenditures for the fiscal year 2000/2001.

Department of Human Resources ($ thousands)			
Division	**Budget Estimate**	**Actual**	**Variance**
Client Services	1,064.0	780.0	283.7
Corporate Services	951.0	782.1	168.9
HR Systems Corporate Development	869.0	760.7	108.3
Policy	296.0	310.3	(14.3)
Administration	806.0	825.1	(19.1)
Department of Human Resources Total	3,986.0	3,458.5	527.6

Budget and Government Restructuring

Total dollar and FTE savings for the Department of Human Resources for this fiscal year, and projected for 2000/2001 amounts to an overall budget reduction of 5.5%, which is equivalent to $237,000. This was achieved through restructuring, program efficiency changes, and program eliminations since 1999 - including the transition from the Department of Human Resources to the Public Service Commission. FTE savings for this period is represented by a reduction of 13.0 FTEs amounting to $492,000.

Supplemental Information and Appendices

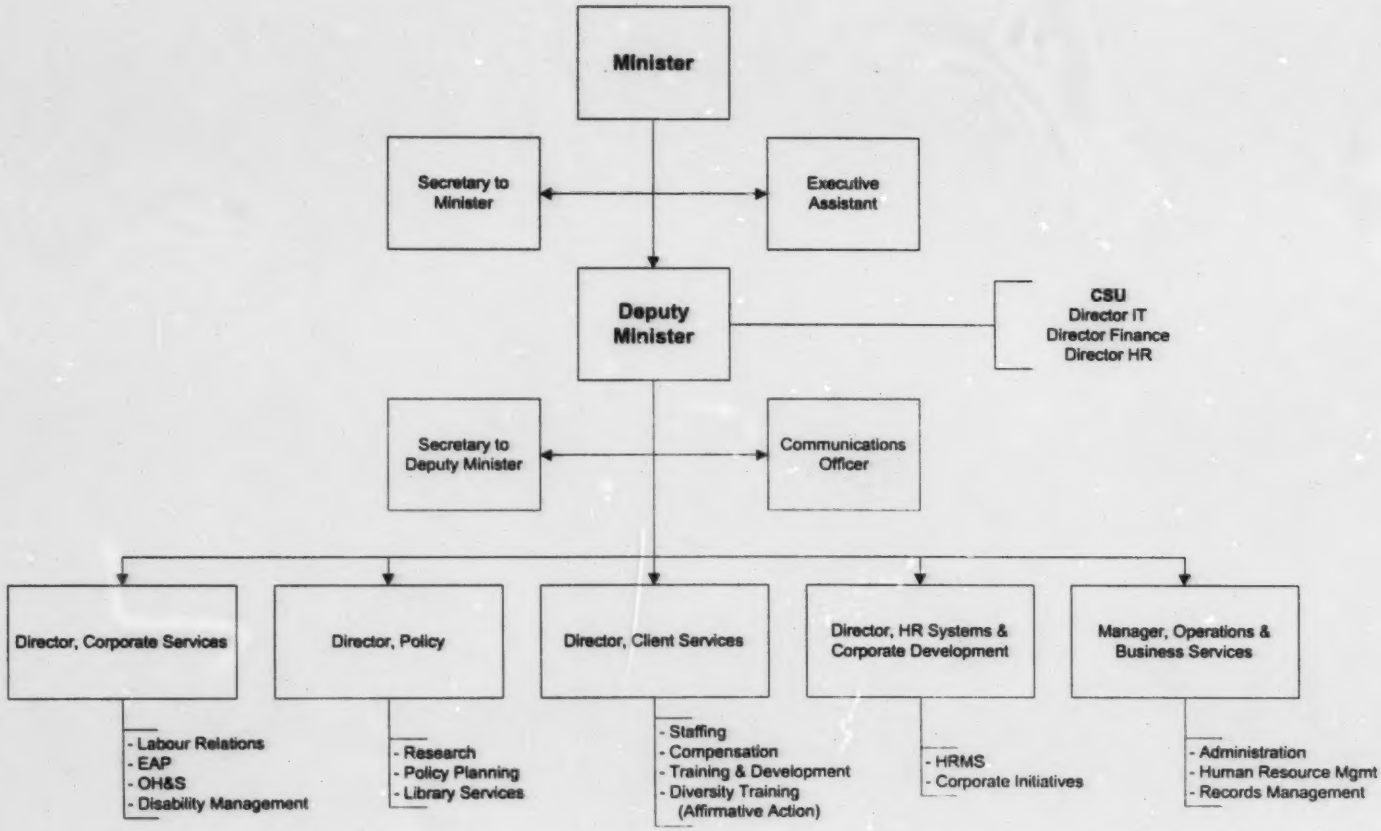
Appendix A: Organizational Chart

Appendix B: Employee Demographic Information

Appendix C: Key Public Sector Collective Agreements

Appendix A

Department of Human Resources *



* now Public Service Commission, effective June 2001

Appendix B

Government of Nova Scotia
Demographic Profile

At March 31, 2000		At March 31, 2001	
Number of Departments	16	Number of Departments	12
Permanent Civil Servants		Permanent Civil Servants	
Unionized	6,170	Unionized	5,369
Management	1,353	Management	1,245
Other	291	Other	264
Total	**7,814**	Total	**6,878**
Average Civil Servant Salary	$40,737	Average Civil Servant Salary	$41,597
Average Civil Servant Service	13.4 years	Average Civil Servant Service	14.4 years
Average Civil Servant Age	44 years	Average Civil Servant Age	44 years

Appendix C

KEY PUBLIC SECTOR COLLECTIVE AGREEMENTS: EXPIRY DATES

AGREEMENT	EXPIRY DATE	PARTIES	NO. OF EMPLOYEES	DISPUTE RESOLUTION	DEPARTMENTS INVOLVED
Teachers' Provincial Agreement	October 31, 1999	Minister of Education & NSTU	10,000	Strike/Lockout	Education Human Resources
Highway Workers	October 31, 1999	Minister of Transportation & Public Works and CUPE, Local 1867	1,000	Interest Arbitration	Transportation & Public Works Human Resources
Civil Service Master Agreement	March 31, 2000	Province (DHR) & NSGEU	5,700	Interest Arbitration	Human Resources
QEII Health Science Centre	October 31, 2000	QEII HSC & NSGEU	5,800	Strike/Lockout	Health *
Nurses - Acute Care	October 31, 2000	RHBs (4) & NSNU	5,800	Strike/Lockout	Health *
Correctional Workers	October 31, 2000	Minister of Justice & NSGEU	350	Interest Arbitration	Justice Human Resources
Professional/Support Acute Care	March 31, 2001	RHBs (4) & NSGEU, CUPE, etc.	5,000	Strike/Lockout	Health *
Long-Term Care (non-nursing)	March 31, 2001	Various employers & CAW	N/A	Strike/Lockout	Health * Community Services*
Physicians' Fee Agreement	March 31, 2001	Province & Medical Society	N/A	N/A	Health
Civil Service - Education	March 31, 2001	Province (DHR) & NSGEU	100	Interest Arbitration	Human Resources
Long-term Care (non-nursing)	October 31, 1999	Various employers & CUPE	N/A	Strike/Lockout	Health * Community Services *

Note: Where an asterisk is shown, the Department(s) status is as funding agent, rather than direct participant in negotiations.

DHR - 15/10/99